

**DRAFT STATEMENT OF PROCEEDINGS FOR THE
REGULAR MEETING OF THE
CITY OF HUNTINGTON PARK OVERSIGHT BOARD**

**CITY OF HUNTINGTON PARK
CITY COUNCIL CHAMBERS
6550 MILES AVENUE
HUNTINGTON PARK, CALIFORNIA, 90255**

Wednesday, February 12, 2014

4:00 PM

I. CALL TO ORDER

Chair Guerrero called the meeting to order.

II. ROLL CALL

Estevan Padilla, Oversight Board staff, called roll.

Present: Board Member Luis Buendia, Board Member Albert Fontanez,
Board Member Katherine Hennigan, Board Member Richard
Verches and Chair Elba Guerrero

Absent: Board Member Theresa Villegas and Vice Chair Yolanda Duarte

III. ADMINISTRATIVE MATTERS

1. Recommendation: Approve the Statement of Proceedings for the December 11, 2013 Regular Meeting. (14-0719)

On motion of Board Member Verches, seconded by Board Member Fontanez, unanimously carried, the Board approved the Statement of Proceedings for the December 11, 2013 Regular Meeting.

Ayes: 4 - Board Member Buendia, Board Member Fontanez,
Board Member Hennigan and Board Member
Verches

Abstentions: 1 - Chair Guerrero

Absent: 2 - Board Member Villegas and Vice Chair Duarte

Attachments: [SUPPORTING DOCUMENT](#)

2. Adopt a Resolution approving an administrative budget for the Successor Agency for the six-month period of July 1, 2014 - December 31, 2014. (14-0717)

Julio Morales, Director of Finance, informed the Board of the \$125,000 Administrative Budget for the period covering July 1, 2014- December 31, 2014. Mr. Morales indicated a significant amount of staff time was spent dealing with property negotiations; therefore, the Successor Agency is requesting the maximum allowable under the law for the Administrative Budget. Board Member Verches expressed his interest in assuring that the Oversight Board Counsel is compensated for their services. Mr. Morales agreed with Board Member Verches, but also added the importance of the Successor Agency paying their bond payments, attorney fees, and thereafter administrative fees.

Board Member Verches questioned if there was a detailed portrayal of the expenses and staff costs in the Administrative Budget. Chair Guerrero advised staff to consider providing actuals per line item rather than estimates to better suit the Board. Board Member Verches requested that for future reference, actual staff time spent be noted in the Administrative Budget.

On Motion of Board Member Verches, seconded by Board Member Fontanez, unanimously carried, the Board adopted a Resolution approving an Administrative budget for the Successor Agency for the six-month period of July 1, 2014 - December 31, 2014.

Ayes: 5 - Board Member Buendia, Board Member Fontanez, Board Member Hennigan, Board Member Verches and Chair Guerrero

Absent: 2 - Board Member Villegas and Vice Chair Duarte

Attachments: [SUPPORTING DOCUMENT](#)

- 3. Adopt a Resolution of the Successor Agency to the Community Development Commission of the City of Huntington Park approving a Recognized Obligation Payment Schedule ("ROPS 14-15A") for the period of July 1, 2014 through December 31, 2014, in order to comply with Health and Safety Code Section 34177(l). (14-0716)**

Julio Morales, Director of Finance, shared that there were two notable changes to the Recognized Obligation Payment Schedule (ROPS) 14-15A. Currently, there is litigation pending with the Department of Finance (DOF) concerning the Pension Override Tax Fund. The Successor Agency has a temporary restraining order hearing against the DOF pending in Sacramento in efforts to contest the DOF's determination. Mr. Morales provided an overview of the operation of the City's 2.4 million dollar Pension Override Tax Fund and added that the voters approved a tax to pay

the pensions of the employees of the City of Huntington Park. The DOF is contesting that the voter approved tax should be categorized in the Redevelopment Property Tax Trust Fund (RPTTF) and not be redirected from the Successor Agency to the City.

Mr. Morales stressed the financial impact of the circumstance and that the DOF has advised the Successor Agency to place the item on the ROPS, which Mr. Morales believes, will not be approved because there is no loan or agreement to place it on the ROPS. Teresa Highsmith, Oversight Board counsel, could not advise the Board what direction to side on given the unique circumstances of the dispute. Board Member Verches requested clarification regarding the determination of the DOF pertaining to the item. Mr. Morales assured the Board that the DOF as well as the County Auditor Controllers Office advised staff to place the item on the ROPS.

Mr. Morales added that the only way the recommendation of the DOF can be reversed is if there was a change in legislation or winning litigation in court. From experience, many cities with similar circumstances have been denied through the ROPS process, however, they must place the item on the ROPS given the certainty that the item will be denied.

On Motion of Board Member Verches, seconded by Board Member Fontanez, unanimously carried, the Board adopted a Resolution of the Successor Agency to the Community Development Commission of the City of Huntington Park approving a Recognized Obligation Payments Schedule (ROPS 14-15A) for the period of July 1, 2014 through December 31, 2014, in order to comply with Health and Safety Code Section 34177 (I).

Ayes: 5 - Board Member Buendia, Board Member Fontanez, Board Member Hennigan, Board Member Verches and Chair Guerrero

Absent: 2 - Board Member Villegas and Vice Chair Duarte

Attachments: [SUPPORTING DOCUMENT](#)

IV. CLOSED SESSION ITEM

By Common Consent, there being no objection (Board Member Villegas and Vice Chair Guerrero being absent), the Board entered into Closed Session at 4:48 p.m.

4. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Government Code Section 54956.8

Property: 5959-6169 South Alameda Street, Huntington Park, California

Agency negotiator: Julio Morales, Finance Director

Negotiating parties: Julio Morales, Finance Director, and Jones Lang LaSalle

Under negotiation: Price and Terms of Payment. (13-4171)

Closed Session adjourned and Open Session reconvened at 5:12 p.m. with the following Board Members present: Buendia, Fontanez, Hennigan, Verches, and Chair Guerrero. Board Member Villegas and Vice Chair Duarte were absent.

ACTION TAKEN:

Teresa Highsmith, Oversight Board Legal Counsel, reported that a discussion took place between the Board Members and the Real Property Negotiators regarding a property that is for sale through the Long Range Property Management Plan (LRPMP). Ms. Highsmith noted the Oversight Board provided direction to the Successor Agency regarding Real Properties and concluded no reportable action was taken.

V. MISCELLANEOUS**5. Matters not posted on the agenda (to be presented and placed on the Agenda for a future meeting). (14-0709)**

There were none.

6. Public Comment (opportunity for Member of the Public to address the Board on items of interest that are within the Jurisdiction of the Board). (14-0710)

There were none.

7. Chair and Board Member Comments. (14-0713)

There were none.

8. Adjournment of the Regular Meeting of February 12, 2014. (14-0715)

The meeting adjourned at 5:18 p.m.